

EXHIBIT A

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549**

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): May 13, 2021 (May 12, 2021)

CHINA XD PLASTICS COMPANY LIMITED

(Exact name of registrant as specified in its charter)

Nevada

(State or other jurisdiction
of incorporation)

001-34546

(Commission
File Number)

04-3836208

(IRS Employer
Identification No.)

**No. 9 Dalian North Road, Haping Road Centralized Industrial
Park,**

Harbin Development Zone, Heilongjiang Province, the PRC

(Address of principal executive offices)

150060

(Zip Code)

(86) 451-8434-6600

(Registrant's Telephone Number, Including Area Code)

Not applicable

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock	CXDC	Nasdaq Global Market

Indicate by check mark whether the registrant is an emerging growth company as defined in as defined in Rule 405 of the Securities Act of 1933 (§ 230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§ 240.12b-2 of this chapter).

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

ITEM 1.02 Termination of a Material Definitive Agreement

On June 15, 2020, China XD Plastic Company Limited (the “Company”), Faith Dawn Limited, an exempted company with limited liability incorporated under the laws of the Cayman Islands (“Parent”), and Faith Horizon Inc., a Nevada corporation (“Merger Sub”), entered into an agreement and plan of merger, as amended (the “merger agreement”), pursuant to which Merger Sub will merge with and into the Company (the “merger”) and cease to exist, with the Company continuing as the surviving corporation (the “surviving corporation”) and becoming a wholly-owned subsidiary of Parent.

On May 8, 2021, the Company issued a notice of termination to Parent (the “Notice of Termination”) notifying Parent that the Company terminated the merger agreement pursuant to Section 9.1(c)(i) of the merger agreement, based on Parent and Merger Sub’s breaches of the merger agreement, which have given rise to the failure of several conditions set forth in Section 8.1 and Section 8.3 of the merger agreement. These breaches are not capable of being cured prior to the termination date of the merger agreement. Pursuant to the Notice of Termination, as a result of such termination, the Parent Termination Fee becomes due and payable to the Company by Parent.

On May 12, 2021, Parent sent a response letter, dated May 11, 2021 (the “Response Letter”), to the Company that while it disagrees with the allegations made in the Notice of Termination, Parent acknowledges that the Company may terminate the merger agreement pursuant to Section 9.1(c)(iii) of the merger agreement and thus agrees to pay the Parent Termination Fee pursuant to Section 9.3(b) of the merger agreement under that basis. As a result of the termination of the merger agreement, the merger will not be completed.

A copy of the Notice of Termination is filed as Exhibit 99.1 and is incorporated by reference herein. A copy of the Response Letter is filed as Exhibit 99.2 and is incorporated by reference herein.

ITEM 9.01 Financial Statements and Exhibits**(d) Exhibits.**

Exhibit No.	Description
99.1	<u>Notice of Termination by the Company, dated May 8, 2021</u>
99.2	<u>Response Letter by Parent, dated May 11, 2021</u>

EX-99.2 3 ex99-2.htm

Exhibit 99.2

May 11, 2021

Via Email

The Special Committee of the Board of Directors
China XD Plastics Company Limited
No.9 Dalian North Road, Haping Road Centralized Industrial Park
Harbin Development Zone,
Heilongjiang Province
People's Republic of China

Email: hljxd@chinaxd.net

Re: Notice of Termination

Reference is hereby made to that certain Agreement and Plan of Merger dated as of June 15, 2020 by and among China XD Plastics Company Limited, a Nevada corporation ("Company"), Faith Dawn Limited, an exempted company with limited liability incorporated under the Laws of the Cayman Islands ("Parent"), and Faith Horizon Inc., a Nevada corporation and a wholly owned subsidiary of Parent ("Merger Sub") (as amended, the "Merger Agreement"). Capitalized terms used herein and not otherwise defined shall have the meanings given to them in the Merger Agreement.

Reference is further made to that certain Notice of Termination dated May 8, 2021 issued by the Company to us (the "Notice of Termination").

We write in response to the Notice of Termination. While we also regret that the transactions contemplated under the Merger Agreement cannot be completed as previously contemplated, we disagree with the allegations made in the Notice of Termination.

Nonetheless, in the interest of good faith and cooperation, Faith Dawn Limited acknowledges that the Company can terminate the Merger Agreement under Section 9.1(c)(iii) of the Merger Agreement and thus agrees to pay the Parent Termination Fee pursuant to Section 9.3(b) of the Merger Agreement under that basis.

Sincerely,

FAITH DAWN LIMITEDBy: /s/ Jie Han

Name: Jie Han

Title: Director

cc: Hogan Lovells
11th Floor, One Pacific Place, 88 Queensway
Hong Kong Special Administrative Region
Attention: Stephanie Tang, Esq.
Fax: +852 2219 0222
Email: Stephanie.Tang@hoganlovells.com

EX-99.1 2 ex99-1.htm

Exhibit 99.1

May 8, 2021

Via Email and Overnight Delivery

Faith Dawn Limited
No. 9 Dalian North Road
Haping Road Centralized Industrial Park
Harbin Development Zone
Heilongjiang Province, P. R. China
Attn: Jie Han
Email: chinaxd@chinaxd.net

Re: Notice of Termination Pursuant to Section 9.1(c)(i)

Dear Mr. Jie Han:

Reference is hereby made to that certain Agreement and Plan of Merger dated as of June 15, 2020 by and among China XD Plastics Company Limited, a Nevada corporation ("Company"), Faith Dawn Limited, an exempted company with limited liability incorporated under the Laws of the Cayman Islands ("Parent"), and Faith Horizon Inc., a Nevada corporation and a wholly owned subsidiary of Parent ("Merger Sub") (as amended, the "Merger Agreement"). Capitalized terms used herein and not otherwise defined shall have the meanings given to them in the Merger Agreement.

The Company hereby provides notice of termination pursuant to Section 9.1(c)(i) based on Parent and Merger Sub's breaches of the Merger Agreement, including, but not limited to, Sections 5.4, 5.13, 7.6, and 7.8, which breaches have given rise to the failure of several conditions set forth in Section 8.1 and Section 8.3, including, but not limited to, Sections 8.1(b), 8.3(a), 8.3(b), and 8.3(c). These breaches are not capable of being cured prior to the Termination Date.

In light of the Company's termination pursuant to Section 9.1(c)(i), the Parent Termination Fee, as described in Section 9.3(b), is due and owing to the Company. If Parent fails to pay the Parent Termination Fee, Parent is responsible for reimbursing the Company all reasonable costs and expenses the Company incurs in collecting under and enforcing the payment of the Parent Termination Fee. See Merger Agreement, § 9.3(c).

Sincerely,

China XD Plastics Company Limited

By: /s/ Huiyi Chen

Name: Huiyi Chen

Title: Director, Chairman of the Special
Committee of the Board of Directors of China XD Plastics
Company Limited

cc: O'Melveny & Myers LLP
Attn: Ke Geng; Nima Amini
